

October 29, 1992

TO: ALL STORE MANAGERS
ALL DISTRICT MANAGERS

FROM: DAVE WESLOH

RE: CIGARETTE PROGRAM

After several months of negotiating, we have revised our Cigarette Merchandising Program. This program is designed to achieve peak sales and profits for all of us. The new plan is easy to implement and maintain and is the only approved company plan.

Included with this letter you will find three separate, easy to read diagrams (Exhibits A, B, and C) that will apply to most stores. Merely select the plan that most resembles your store and follow it exactly. Each plan is self explanatory. If your store is very unique, and doesn't match any of the diagrams, please have your District Manager contact Dave Coleman at extension 3106 for further direction.

Please note that the Phillip Morris and R.J.R. Carton Savings Centers are now optional. If you do well with this fixture, please continue using it. It is a very good tool for promoting carton sales. To discontinue using this fixture you must obtain the approval of your Area Assistant Vice President through your District Manager.

Also, please note that the pack merchandiser behind the number one checkout has also been replanogrammed and is split between Phillip Morris and R.J.R. All other cigarette brands will be merchandised on the lower shelves of these two racks. Schematics for an 8' and 12' rack are also enclosed. (Exhibits D, E, and F)

We have also enclosed a schematic for the Cigarette Carton Savings Center for those stores that will be using this optional display. (Exhibit G)

Over the next 60 days, representatives from Phillip Morris and R.J.R. will visit every store to implement this new planogram. This must be implemented in every store unless excluded by your District Manager. A District Manager must gain approval from Dave Coleman in order to alter this plan for any given store.

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